

Midwestern Telecommunications,
Incorporated Application for Designation
as an Eligible Telecommunications
Carrier for the Purposes of Receiving
Federal Universal Service Support
Pursuant to Sections 214 (e)(2) of the
Telecommunications Act of 1996)

COVER SHEET

NUMBER: 2007 - 32 - C

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July 24, 2007

HAND DELIVERY

Mr. Charles L. A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
Synergy Business Park, The Saluda Building
101 Executive Center Drive
Columbia, South Carolina 29210

Re: Midwestern Telecommunications, Incorporated Application for
 Designation as an Eligible Telecommunications Carrier for the
 Purposes of Receiving Federal Universal Service Support Pursuant
 to Sections 214(e)(2) of the Telecommunications Act of 1996
 Docket No. 2007-32-C

Dear Mr. Terreni:

Enclosed for filing on behalf of the South Carolina Telephone Coalition in the above-referenced docket, please find two (2) copies of the Reply Testimony of Glenn H. Brown.

Please note that the attached document is an exact duplicate, with the exception of the form of the signature, of the e-filed copy submitted to the Commission in accordance with its electronic filing instructions.

Please clock in a copy of the testimony and return it with our courier.

Thank you for your assistance.

Very truly yours,


M. John Bowen, Jr.

Enclosure

cc: Parties of Record

BEFORE THE
PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA

Midwestern Telecommunications, Inc.)	
Application for Designation as an Eligible)	
Telecommunications Carrier for the Purposes of)	Docket No. 2007-32-C
Receiving Federal Universal Service Support)	
Pursuant to Section 214(e)(2) of the)	
Telecommunications Act of 1996)	

REPLY TESTIMONY OF
GLENN H. BROWN
ON BEHALF OF THE
SOUTH CAROLINA TELEPHONE COALITION

July 24, 2007

1 **Q. Please state your name and business address.**

2 **A. My name is Glenn H. Brown, and my business address is Post Office Box 21173,**
3 Sedona, Arizona 86341.

4 **Q. Have you previously filed testimony in this proceeding?**

5 **A. Yes, I filed initial testimony in this proceeding on July 10, 2007.**

6 **Q. What is the purpose of your reply testimony in this case?**

7 **A. The purpose of this testimony is to reply to the testimony filed on July 10, 2007,**
8 by Mr. Ikechuku Chinwah, on behalf of Eligible Telecommunications Carrier
9 ("ETC") applicant Midwestern Telecommunications, Inc. ("MTI"), and Mr. James
10 M. McDaniel, on behalf of the Office of Regulatory Staff ("ORS"), and to state
11 my conclusions of whether MTI has met its burden of proving that the granting of
12 its application for ETC status would be in the public interest.

13 **Q. How has MTI addressed the public interest issue in its Application and**
14 **Initial Testimony?**

15 **A. MTI's four-page Application filed January 22, 2007, consists of a recitation of**
16 how the company's service offerings meet the minimum qualifying criteria as
17 described in Section 54.201(d) of the rules of the Federal Communications
18 Commission ("FCC") and Section 214(e) of the Telecommunications Act of 1996
19 ("the Act"). Nowhere in its Application can the words "public interest" be found.
20 In his testimony, Mr. Chinwah states that the public interest will be served by

1 providing LifeLine and LinkUp discounts to its customers, many of whom it
2 claims have been disconnected by the incumbent carrier for lack of payment.¹

3 **Q. Do you believe that MTI has proven that its designation would be in the**
4 **public interest?**

5 A. No, I do not. The public interest is served when the public benefits created by
6 designating an additional ETC exceed the public costs associated with supporting
7 an additional network. While there would be some benefit that would accrue to
8 MTI's qualifying low-income customers, what is lacking in its Application and
9 testimony is a compelling demonstration of benefits to the general public at large
10 that would result from MTI's designation.

11 **Q. How has the FCC addressed the subject of the public interest in the context**
12 **of making an ETC designation?**

13 A. As I outlined in my Initial Testimony in this proceeding, the FCC has had an
14 evolving definition of what constitutes the public interest in terms of ETC
15 designations. In 2000, the FCC issued several decisions in which it concluded
16 that the public interest was served by the creation of competition. One of these
17 decisions is the case of *Cellco Partnership d/b/a Bell Atlantic Mobile*,² in which
18 the ETC applicant sought ETC designation for the purpose of receiving LifeLine
19 and LinkUp support in a non-rural study area that did not receive high-cost
20 support. In this decision, the FCC found that 1) such designation was in the

¹ Direct Testimony of Ikechuku Chinwah at p. 6, lines 20-23.

1 public interest because it would promote competition and 2) that an ETC
2 application in a non-rural study area that met the minimum qualifying criteria in
3 Section 52.201(d) would *per se* be considered to be in the public interest. Later,
4 in 2004 and faced with significant growth in support to competitive ETCs, the
5 FCC issued its *Virginia Cellular Order*,³ in which it specifically rescinded the
6 “*per se*” provisions adopted in *Cellco* and concluded that competition, alone, was
7 not sufficient to define the public interest. In *Virginia Cellular*, the FCC
8 established specific, fact-based metrics for determining when a particular ETC
9 designation would be in the public interest. These metrics were further defined in
10 2005 by the FCC’s *ETC Designation Order*,⁴ which established a five-point test,
11 the first point being how universal service support “will be used to improve its
12 coverage, service quality or capacity in every wire center for which it seeks
13 designation and expects to receive universal service support.” The FCC’s metrics
14 focus on the use of universal service support to expand the availability of services
15 into rural areas that would not have access to such services absent support. MTI
16 does not have a network of its own, but instead resells unbundled network
17 elements that it obtains from AT&T/BellSouth.

² See, e.g., *Cellco Partnership d/b/a Bell Atlantic Mobile Petition for Designation as an Eligible Telecommunications Carrier*, CC Docket No. 96-45, Memorandum Opinion and Order, 16 FCC Rcd 39 (Com. Car. Bur. 2000).

³ *In the Matter of Federal-State Joint Board on Universal Service, Virginia Cellular, LLC Petition for Designation as an Eligible Telecommunications Carrier In the Commonwealth of Virginia*, Memorandum Opinion and Order, CC Docket No. 96-45, FCC 03-338 (rel. Jan. 22, 2004) (“*Virginia Cellular Order*”).

⁴ Report and Order, *In the Matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, FCC 05-46 (rel. March 17, 2005) (“*ETC Designation Order*”). The FCC reaffirms that a public interest finding is required in both non-rural and rural study areas. *Id.* at ¶ 42.

1 **Q. Is an ETC applicant permitted to use resold facilities as a part of its**
2 **provisioning of supported services?**

3 A. Yes, it is. Section 214(e)(1) of the Act states that an ETC applicant shall,
4 throughout the territory for which it seeks ETC designation,

5 offer the services that are supported by Federal universal service
6 support mechanisms under section 254(c) either using its own
7 facilities or a combination of its own facilities and resale of another
8 carrier's services (including the services offered by another eligible
9 telecommunications carrier).

10 In fact, Section 54.201(f) of the FCC's rules goes one step further in stating:

11 For the purposes of this section, the term "own facilities" includes,
12 but is not limited to, facilities obtained as unbundled network
13 elements pursuant to part 51 of this chapter, provided that such
14 facilities meet the definition of the term "facilities" under this sub-
15 part.

16 **Q. Since the FCC rules appear to allow the designation of a reseller of**
17 **unbundled network elements as an ETC, why shouldn't this Commission**
18 **approve MTI's application?**

19 A. This Commission should not approve the Application for several reasons. First,
20 just because an application meets the minimum qualifying criteria of Section
21 54.201 does not mean that approval of the application would be in the public
22 interest. This is one of the major conclusions of the *Virginia Cellular Order*.
23 Second, Section 54.201(f) was promulgated at a time when the FCC sincerely
24 (and, as history has shown, mistakenly) believed that a major purpose of universal
25 service was to create competition. Finally, one of the major public benefits from
26 the universal service fund occurs when scarce universal service dollars are used to

1 expand the availability of basic and advanced telecommunications services into
2 areas where infrastructure investment would not otherwise be economically
3 viable. It is for this reason that the Commission should seriously question the
4 public benefits that would come from providing universal service funding to a
5 “pure” reseller.

6 **Q. When might it be in the public interest for a carrier to utilize resold services**
7 **in meeting its ETC obligations?**

8 A. It is unreasonable, and indeed unlawful⁵ for the Commission to require a
9 prospective ETC to serve throughout the entire service territory using its own
10 facilities prior to ETC designation. Resale is thus a legitimate and reasonable
11 means for an ETC to meet its service obligations as it builds out to serve
12 throughout the service territory. However, since the primary benefit of ETC status
13 comes from the extension of telecommunications infrastructure into unserved
14 areas, there should be some reasonable time period after which the carrier must
15 use its own facilities.

16 **Q Have you made any recommendations to this Commission as to what a**
17 **reasonable time period for the use of resold services might be?**

18 A. Yes. On June 26, 2007, the Commission held a public hearing, during which it
19 accepted input from parties regarding its proposed ETC designation rules. I had
20 the privilege of addressing the Commission during this workshop, and I presented

⁵ *In the Matter of Federal-State Joint Board on Universal Service; Western Wireless Corp. Petition for Preemption of an Order of the South Dakota Pub. Util. Comm'n, Declaratory Ruling, CC Docket 96-45, FCC 00-248 (rel. Aug. 10, 2000), at ¶ 2.*

1 a number of constructive suggestions for improvement of the proposed rules on
2 behalf of the SCTC. I am attaching as Exhibit GHB-1 to my testimony a "red-
3 line" markup of the Commission's proposed rules. This is the document that I
4 used during the hearing to explain the SCTC suggested changes, with a few minor
5 changes that were incorporated after the public hearing and included in the final
6 version of the document that was filed with the Commission by the SCTC in the
7 rulemaking proceeding on July 16, 2007. In Section C(a)(6), SCTC is
8 recommending that the Commission adopt a five-year maximum time period for
9 the use of resold services as a component of an ETC applicant's service
10 commitment. This time period is consistent with the FCC's recommendation of a
11 five-year network build-out plan for the applicant to demonstrate its capability and
12 commitment to serve throughout the entire ETC service area in a reasonable time
13 period.

14 **Q. Would denial of MTI's application cause harm to any of MTI's existing**
15 **customers in the State of South Carolina?**

16 A. No, because according to MTI, it currently "has no active customers in the state of
17 South Carolina."⁶ I find this somewhat odd because MTI was granted a
18 Certificate of Public Convenience and Necessity by this Commission in March of
19 2003.⁷ MTI has had the authority and ability to offer local telephone service in
20 South Carolina for over four years but has chosen not to do so. Only in January of

⁶ Direct Testimony of Ikechuku Chinwah at p. 2, line 18.

⁷ The Commission held a hearing in Docket 2002-381-C and issued Order No. 2003-125, granting a Certificate of Public Convenience and Necessity.

1 this year did MTI apply for ETC status. According to Mr. Chinwah's testimony,
2 if granted ETC status, MTI would "start aggressively advertising and providing
3 service, first in the Charleston and Greenville areas...."⁸ Based upon its
4 projection of "activating 250 LifeLine customers per month for 12 months," MTI
5 estimates that it will receive \$182,000 per year in LifeLine and LinkUp support in
6 South Carolina.⁹

7 **Q. If MTI is granted ETC status, would \$182,000 per year be the only impact on**
8 **the universal service fund?**

9 A. No. If the Commission approves MTI's application based upon its minimal
10 showing in this proceeding, it is reasonable to expect that other resale-based
11 carriers would also apply for and presumably receive ETC status. I do not know
12 precisely how many such carriers there are in South Carolina, but I do know that
13 Seven Bridges Communications, LLC currently has an application for ETC status
14 pending before the Commission in Docket No.2007-167-C.¹⁰ If MTI is granted
15 ETC status based upon its showing in this proceeding, it is highly likely that other
16 carriers will apply as well.

17 **Q. If granted ETC status in the AT&T/BellSouth study area would MTI also be**
18 **eligible to receive high-cost support?**

19 A. Yes. In its South Carolina study area, AT&T/BellSouth currently receives
20 \$4,947,636 per year of high-cost support, or \$3.83 for each of its 1.29 million

⁸ Direct Testimony of Ikechuku Chinwah testimony at p. 2, lines 19-20.

⁹ *Id.* at p. 6, lines 3, 5.

1 lines in the state.¹¹ Since, under current FCC rules, a CETC receives the same
2 per-line support as the wireline incumbent, MTI would also be eligible for \$3.83
3 per line per year in high-cost universal service support for each of the lines that it
4 serves.

5 **Q. Earlier, you mentioned the five-point test that the FCC established in the**
6 ***ETC Designation Order*. Have other parties in this proceeding commented on**
7 **whether MTI's Application has met this component of the FCC guidelines?**

8 A. Yes. Mr. McDaniel, testifying on behalf of ORS, states that:

9 After consideration of the proposed regulations, drafted by the SCPSC
10 and the FCC guidelines by which the SCPSC stated it would be
11 informed by, I would consider this Application incomplete. One
12 obvious omission from Midwestern's Application is the requirement
13 that Midwestern demonstrate how high-cost support will be used to
14 improve its coverage, service quality or capacity in every wire center
15 for which it seeks designation and expects to receive universal service
16 support. The ORS feels that it is imperative that an Applicant
17 demonstrate how its use of federal universal service support will
18 benefit the consumers of South Carolina.

19 **Q. Is there other evidence that the five-point test is a valid component of ETC**
20 **designation for receipt of low-income support?**

21 A. Yes. The USAC web site has separate sections for each of the four components of
22 federal universal service fund – High-Cost, Rural Health Care, Low-Income, and
23 Schools and Libraries. The Low-Income section contains links for carriers to
24 obtain information regarding eligibility for low-income funding under the FCC

¹⁰ On June 28, 2007, Seven Bridges filed a Motion requesting that its Application be held in abeyance for 180 days.

¹¹ Universal Service Administrative Company ("USAC") Reports HC01 and HC05 for the third quarter of 2007.

1 guidelines. Exhibit GHB-2 is a copy of the USAC web page titled "Becoming an
2 Eligible Telecommunications Carrier," which clearly shows the five-point test.

3 **Q. Could you please summarize your testimony?**

4 A. In its first ETC designation order, this Commission correctly recognized that "the
5 universal service fund is and should be treated as a scarce national resource."¹²

6 South Carolina telecommunications companies, such as SCTC members, depend
7 upon universal service funds to serve rural areas of the State where such service
8 would not be possible without this support. Particularly at a time when there is
9 widespread concern about explosive growth in the fund, and the very
10 sustainability of the fund is under question, I do not believe that this Commission
11 should find that providing universal service support to a "pure" reseller of services
12 is in the public interest. For this reason, I do not believe that the Commission
13 should approve MTT's Application.

14 **Q. Does this conclude your testimony at this time?**

15 A. Yes.

¹² See Docket No. 2003-158-C, *Application of FTC Communications, Inc. d/b/a FTC Wireless for Designation as an Eligible Telecommunications Carrier Pursuant to Section 214(e)(2) of the Communications Act of 1934*, Order No. 2005-5, at p. 31.

REGULATIONS FOR ELIGIBLE TELECOMMUNICATIONS CARRIERS

103-690 Designation of Eligible Telecommunications Carriers

A. Purpose.

1. This regulation defines the requirements for designation as an Eligible Telecommunications Carrier ("ETC") for the purpose of receiving federal universal service support, not state universal service support, pursuant to 47 U.S.C. § 214(e) of the Federal Telecommunications Act of 1996.

2. This regulation will ensure that the Commission will only grant a particular application if doing so will further the goals and purposes of the federal high-cost universal service fund and the universal service provisions of Section 254 of the Telecommunications Act of 1996. Specifically, the Commission should ensure that consumers in all regions of South Carolina, including those in rural, insular and high-cost areas will have access to telecommunications services comparable to those in urban areas of the state.

3. Notwithstanding the ETC applicant's regulatory status or the Commission's jurisdiction over the applicant's regular operations, in seeking designation as an ETC, the applicant acknowledges the Commission's authority and jurisdiction to impose such regulations on ETCs, including the applicant, as are in the public interest.

B. Definitions.

1. Cell Site. A geographic location where antennae and electronic communications equipment are placed to create a cell in a cellular network for the use of mobile phones. A cell site is composed of a tower or other elevated structure for mounting antennae, and one or more sets of transmitter/receivers, transceivers, digital signal processors, control electronics, and backup electrical power sources and sheltering.

2. Commission. The word Commission in this regulation means the Public Service Commission of South Carolina.

3. Eligible Telecommunications Carrier (ETC). An ETC is a carrier as defined in 47 U.S.C. §214(e).

4. Lifeline Service. Lifeline Service is a service as defined in 47 C.F.R. §54.401.

5. Link Up Service. Link Up Service is a service as defined in 47 C.F.R. §54.411.

6. ORS. The abbreviation ORS in this regulation means the Office of Regulatory Staff.

7. Wire Center. A geographic location of one or more local switching systems; a location where customer loops converge. References to the evaluation of service within a wire center, for purposes of this regulation, shall mean an evaluation of the quality of the services provided in that part of the licensees' service area served by a cell site in the event the applicant is a wireless service provider.

C. Requirements for initial designation as an Eligible Telecommunications Carrier.

(a) The Commission may upon its own motion or upon request, designate a common carrier that meets the requirements in this section, and the public interest standard set forth in subsection (b) of this section, as an ETC for a designated service area. ETCs shall offer services in compliance with 47 C.F.R. §54.101. Upon request and consistent with the public interest, convenience and necessity, the Commission may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an ETC for a service area designated by the Commission. Before designating an additional ETC for an area served by a rural telephone company, the Commission shall find that the designation is in the public interest. On or after the effective date of this rule, in order to be designated an eligible telecommunications carrier under 47 U.S.C. §214(e)(2) of the Federal Telecommunications Act of 1996, any common carrier in its application filed with the Commission and a copy provided to the ORS must provide the following information:

(1) (A) commit to provide service throughout its proposed designated service area to all customers making a request for service. Each applicant shall certify that it will (1) provide service on a timely basis to requesting customers within the applicant's service area where the applicant's network already passes the potential customer's premises; and (2) provide service within a reasonable period of time, if the potential customer is within the applicant's licensed service area but outside its existing network coverage, if service can be provided at reasonable cost by ~~(a) modifying or replacing the requesting customer's equipment; (b) deploying a roof mounted antenna or other equipment; (ea)~~ adjusting the nearest cell tower; ~~(db)~~ adjusting network or customer facilities; ~~(ec)~~ reselling services from another carrier's facilities to provide service; or ~~(fd)~~ employing, leasing or constructing an additional cell site, cell extender, repeater, or other similar equipment; and

(B) submit a five-year build-out plan to serve throughout the ETC service area;
and

(BC) submit a ~~two~~ five-year plan that describes with specificity proposed improvements or upgrades to the applicant's network on a wire center-by-wire center basis, or on a cell site by cell site basis if the applicant is a wireless carrier that demonstrates its capability and commitment to serve throughout its proposed designated service area. Each applicant shall demonstrate:

1. How it plans to expand its network to ensure that unserved and underserved rural or high-cost areas will receive sufficient improvements

- in signal quality, coverage or capacity will improve due to the receipt of high-cost support throughout the area for which the ETC seeks designation;
2. A detailed map of the coverage area before and after the improvements and in the case of a CMRS provider, a map identifying existing and proposed tower site locations;
 3. The specific geographic areas where the improvements will be made;
 4. The projected start date and completion date for each improvement;
 5. The estimated amount of investment for each project that is funded by high-cost support; the specific geographic areas where the improvements will be made;
 6. A statement as to how all of the facilities funded by high-cost support are eligible for such support; and
 7. The estimated population that will be served as a result of the improvements;
 8. If an applicant believes that service improvements in a particular wire center or on a particular cell site are not needed, it must explain its basis for this determination and demonstrate how funding will otherwise be used to further the provision of supported services in that area;
 9. A statement as to how the proposed improvements funded by universal service dollars would not otherwise occur absent the receipt of high-cost support and that such support will be used in addition to any expenses the ETC would normally incur;
 10. A statement showing, in detail, total operating costs of improvements and upgrades acquired to extend service into unserved areas as specified in the applicant's five-year plan, and projected receipts from the federal universal service fund.

~~(C) — for carriers seeking certification in areas not eligible for High Cost Support from the USF, but seeking ETC designation for the purpose of participation in the Lifeline and Link Up programs, the following shall apply in lieu of paragraph (B) above: shall submit a two-year plan that describes the carrier's plans for advertising and outreach programs for identifying, qualifying and enrolling eligible participants in the Lifeline and Link Up programs. All other provisions of this subsection shall apply:~~

(2) demonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations. The Commission shall determine on a case-by-case basis whether a carrier has demonstrated its ability to remain functional in emergency situations.

(3) demonstrate that it will satisfy applicable consumer protection and service quality standards. A commitment by wireless applicants to comply with the Cellular Telecommunications and Internet Association's Consumer Code for Wireless Service

will satisfy this requirement. Other commitments will be considered on a case-by-case basis.

(4) demonstrate that it offers a local usage plan comparable to the one offered by the incumbent LEC in the service areas for which it seeks designation. A competitive ETC must offer a stand-alone, unlimited basic local usage plan at a monthly rate comparable to the incumbent LEC rate of approximately \$14.35 per month for residential customers.

(5) certify by affidavit signed by an officer of the company that the carrier acknowledges that the Federal Communications Commission may require it to provide equal access to long distance carriers in the event that no other eligible telecommunications carrier is providing equal access within the service area.

(6) certify by affidavit signed by an officer of the company that it does or will offer the services that are supported by the federal universal service support mechanisms by using its own facilities or a combination of its own facilities and resale of another carrier's services throughout the duration of its five-year build-out plan. After five years the carrier must offer the services using its own facilities.

(7) certify by affidavit signed by an officer of the company that it does or will advertise in a media of general distribution the availability of such services, including lifeline services and the applicable charges.

(b) *Public Interest Standard.* Prior to designating an eligible telecommunications carrier pursuant to 47 U.S.C. §214(e)(2), the Commission must determine that such designation is in the public interest. In doing so, the Commission shall consider, *inter alia*, the benefits of increased consumer choice, and the unique advantages and disadvantages of the applicant's service offering. whether the public benefits created by supporting an additional ETC will exceed the public costs of supporting an additional network, and whether the designation will assist in ensuring that consumers in rural and high-cost areas of the state will have access to services similar to those available in urban areas of the state. In order to satisfy the cost/benefit test in rural areas, the operating costs submitted in C(a)(1)(C)10 above must exceed projected universal service receipts. The applicant has the burden of proving that such designation is in the public interest. In instances where an eligible telecommunications carrier applicant seeks designation below the study area level of a rural telephone company, the Commission shall also conduct a creamskimming analysis that includes, but is not limited to, comparing the population density of each wire center in which the eligible telecommunications carrier applicant seeks designation against that of the wire centers in the study area in which the eligible telecommunications carrier applicant does not seek designation. The Commission will deny designation if it concludes that the potential for creamskimming exists. The public interest determination and ETC designation is to be made separately for each rural telephone company study area included in the area for which the applicant seeks ETC designation. The Commission shall not designate a service area to an ETC that is smaller than an entire wire center.

Exhibit GHB-2

Step 2: Determine Eligibility - Low Income - USAC

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USAC

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Helping Keep Americans Connected

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Low Income

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About Low Income:

- Overview of the Program
- Overview of the Process
- Site Visits
- Understanding Audits
- Filing Appeals

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- Rules and Orders
- Tips and Best Practices
- Frequently Asked Questions
- Program Compliance - Whistleblower Hotline

Step 2: Become an Eligible Telecommunications Carrier

When a wireline or wireless telephone company files a petition directly with the FCC, it must provide copies of its petition to the affected state utility regulator at the same time. The FCC will release a public notice establishing a pleading cycle for comments on the petition. Based on the evidence in the record, the FCC will first make a jurisdictional determination. If the FCC determines that the state regulator lacks jurisdiction, it will decide the merits of the request within 6 months of the jurisdictional decision. If the company fails to meet its burden of proof that it is not subject to the state regulator's jurisdiction, the FCC will dismiss the request and direct the company to seek ETC designation from its state utility regulator.

On February 25, 2005, the FCC adopted new requirements for ETCs ([FCC 05-46](#), released March 17, 2005; "ETC Order") that are designated by the FCC including new reporting requirements. An ETC that is designated by the FCC must: (1) provide a five-year plan showing how high-cost universal service support will be used to improve its coverage, service quality, or capacity in each wire center it seeks designation; (2) demonstrate its ability to remain functional in emergency situations; (3) demonstrate that it will satisfy consumer protection and service quality standards; (4) offer local usage plans comparable to those offered by the incumbent carrier in the areas for which it seeks designation; and (5) acknowledge that it may be required to provide equal access if all other ETCs in the designated service area relinquish their designations.

In the ETC Order, the FCC also encouraged state commissions to adopt similar requirements. Check with your [state commission](#) to see if there is a proceeding under way or whether the commission has adopted similar requirements. See Sections 54.202 and 54.209 of the FCC's rules for more details if you were designated as an ETC by the FCC.

Determine Eligibility

- Become an Eligible Telecommunications Carrier
- Determine Consumer Eligibility

[Step 1 | Understand What Is Supported](#)[Step 3 | Submit ETC Designation Order](#)

Last modified on 6/27/2006

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<http://www.usac.org/li/telecom/step02/become-eligible-fcc.aspx>

BEFORE
THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2007-32-C

IN RE:

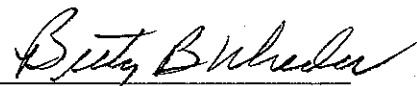
Midwestern Telecommunications,)	
Incorporated Application for Designation)	CERTIFICATE
as an Eligible Telecommunications)	OF
Carrier for the Purposes of Receiving)	SERVICE
Federal Universal Service Support)	
Pursuant to Sections 214 (e)(2) of the)	
Telecommunications Act of 1996)	

This is to certify that I, Betty B. Wheeler, have this date served one (1) copy of the **REPLY TESTIMONY OF GLENN H BROWN** in the above-referenced matter to the person(s) named below by causing said copy to be deposited in the United States Postal Service, first class postage prepaid and affixed thereto, and addressed as shown below:

Arlee Holt
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Director of Operations
65 E 16th Street
Chicago, IL 60411

C. Lessie Hammonds, Esquire
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